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Message from the Founder

Dear reader,

This report is for you. What I hope you will get out of it is some of the same joy that we feel when we look back at the past year. When we see that through our efforts people escape poverty, children get better chances in life and impoverished communities can stand up for themselves, that is the greatest reward we could wish for. That is why we do this work and I hope that is why you support us.

From direct support to refugees, to income-generating opportunities for women and minorities and filling education gaps wherever we can - it all comes down to providing stepping stones that people in need can use to become people with a future. In 2017 we provided more stepping stones to more projects than in any previous year, making it our biggest year in project support so far.

It is so inspiring to see the impact we have - like in our new project where we support multi-lingual education for ethnic minority students. Many children from underserved minorities in Thailand have a language gap in the classroom, leading to an education gap that will hinder them to break the cycle of poverty. This is an easy problem to solve if managed from the start. This programme supports hundreds of children in several schools in receiving equal access to quality education in their own language.

This is just one example of our choice to focus on all the good we can achieve. Our commitment remains to find ‘invisible’ communities and projects, so often missed by larger charities. We know that our support makes a difference and that the communities make good use of the stepping stones we provide.

We are grateful for and motivated by all the support we receive. Thanks to our loyal friends and sponsors, our donor income grew by 43% from 2016 to 2017. With this increased support, we were able to increase project spending by 164%, supporting 31 projects in total in 2017.

"We provide stepping stones that people in need can use to become people with a future."
Our ability to support more people and projects than ever before was mainly due to several large donations we received at the end of the 2016 and beginning of 2017. Additionally, 2017 was also our first year as an independent Thai foundation. This status allowed us to work more effectively and expand our project support. We asked for your help to see us through that transition, and you delivered. It was all of these factors that allowed us to have our best year yet.

Now we face new challenges in 2018. Our first focus will be on raising sufficient fund to consolidate our support to the projects we are already committed to. We will also look to further refine, improve and professionalise our monitoring and evaluation processes to increase the quality of our services in all aspects of our work. However, we come across much more need and we will continue our efforts to help where we can and to expand our reach and impact.

We hope that you want to stay or become a part of our impact. Whether you sponsor a whole project, fund a scholarship for a single student, or donate to keep our operations running and improving - you are making a difference.

My deepest gratitude to all who supported us in 2017 and if you are new supporter: welcome to our world, you will not regret it.

Sallo Polak, Founder and Executive Director

"Marginalised communities that seem futureless now, will be able to define their own next decade if we give them the right tools today."
PCF is one of the various foundations and projects that I sponsor or have helped privately. My motto since reaching retirement age: "There is certainly no ATM machine in heaven", if there is a heaven at all. This may be an example for wealthy people who, while still alive and well, can and want to share for disadvantaged fellow human beings.

Gerard van Hal
Long-time friend and sponsor
About PCF

At a Glance
Philanthropy Connections Foundation (PCF) is a Dutch and Thai-registered non-profit organisation with a project office in Chiang Mai, Thailand. Our mission is to help people in vulnerable situations create independent and dignified lives for themselves.

Since its inception in 2011, Philanthropy Connections has supported 59 different projects in Thailand, Cambodia, and Burma in the fields of education, health care, child care, emergency relief, housing and microfinance. Our success is made possible by a growing global network of supporters, volunteers and donors. Over the past five years, we have had 68 volunteers from 18 different countries who have contributed their time and expertise, together with our staff in Chiang Mai, Thailand, in making an impact.

Mission and Vision
Our mission is to connect community partners to the resources that they need to support vulnerable people to build dignified lives for themselves.

We strive to become the first organisation that comes to mind for community partners in Thailand, Cambodia and Burma who seek assistance for the work they do to empower their communities, as well as for international private and corporate sponsors who want to be sure that their support is used in the most effective and cost efficient way.

Our Approach
PCF is built on the premise that people and communities in vulnerable situations can create a more independent and dignified existence for themselves if they have access to the right support. We believe that local organisations are ideally placed to provide this support, as they understand the issues that face their communities, they know the local culture, and they speak the local language. However, local organisations often do not have access to the external resources and funding they require to optimally support their communities.

We take a bottom-up approach to project implementation because it enables us to support exactly what the communities need. We do not have our own fixed ideas on what those needs are; instead we go to a village and listen.

When selecting a project we conduct a thorough investigation and due diligence process to ensure the local organisation meets the following criteria: (1) Has a presence within the community (2) Has expertise in the field (3) Works effectively and cost-efficiently (4) Will be a reliable partner to us (5) Offers high-quality service (6) Adheres to our policies on non-discrimination.

Once the organisation proves to meet these criteria, we research options and solutions to meet their needs. In most cases, we raise funds to support the projects of the organisations, but we also place and supervise volunteers, provide trainings and connect parties who offer complementary services.

To ensure the most effective use of our support, we continue to monitor and evaluate each project and provide reports to the sponsors involved. We communicate the developments and project progress via our newsletter, social media and website to keep everyone informed.
January

Kids Ark Foundation Founder, Rita Holm Gustafsson stopped by our office to sign a new agreement for our second year of partnership. This partnership trains and empowers Lahu women with knowledge and skills in health, sanitation, and human rights. They also train them in weaving skills, and help sell their products so they have a stable salary.

February

Lots of celebrations in February! First, we celebrated our 5-year anniversary. Then, we were very happy to win the NTCC award for "Great Sustainability Projects." We were happy to be joined by so many of our friends at these events, as well as our board member, Catherine Keyl.

March

Sallo met with 12 of the recent graduates from IECBP (Intensive English Career Bridging Program). Each of these graduates have jobs or internships with local NGOs. A second batch of 16 motivated students is underway and going strong. A big thanks to the Lucendi Foundation for their support of this project.
As per his tradition, Sallo, our Founder and Executive Director, has requested that his birthday be a gift not for himself, but for us. Once again, you donated in a BIG way! 39 of our supporters contributed enough for over 17 months of rent. This allows us to focus more on projects and do more good on behalf of the people we serve.

This has been a year of new projects! We supported 11 new projects in all this year. In May, we started supporting IMPECT (Inter Mountain Peoples Education and Culture in Thailand Association), and their community school at Baan Pha Lai village.

We gave a joint presentation with Amazing Asia Tours at the First Annual Sustainability and CSR Fair, organised by the Netherlands-Thai Chamber of Commerce (NTCC) and Franco-Thai Chamber of Commerce (FTCC). The presentation focused on how we help companies with their CSR goals. This was a great endorsement of our organisation.
This has been a year of many new faces! We were joined by Atthayalak "Dudee" Chaibun (Accountant, who joined us for 6-months), Prawit "Terd" Wongpeng (Project Development Officer), Sujitra "Jeab" Komai (Accountant), and Kelsey Jensen (Assistant Communications Officer).

Nancy Mann, born in 1938 and married to Anthony Mann (Tony) in 1978, passed away in July 2011. It was her dream to change the lives of children living in poverty. Tony has made it his task to fulfill Nancy’s dream and asked us to help him with that. In her memory, we built our first school!

Another new project! The Foundation for Applied Linguistics (FAL), offers a programme to improve the learning outcomes for ethnic minority children who speak their local language at home, but use Thai in school. This creates a language gap. FAL uses multilingual teaching to help them succeed while preserving their ethnic language.
October

We have built toilets for over 1,200 people in Cambodia! Lack of sanitation and poor hygiene practices are estimated to contribute to deaths of 10,000 Cambodian children annually, according to UNICEF figures. Slowly but surely, toilet by toilet, we are reducing this number.

November

6,000 Shan refugees lost their funding for food support - including our partner, Koung Jor Shan Refugee Camp. Thanks to the continued generosity of our sponsors we were able to help out with the food shortage at KJSRC by providing food as needed until funding is restored. A big thanks to the Brodtbeck Philanthropy Foundation for their emergency sponsorship.

December

We’re thrilled to announce that our brand new website is up and running! Head over to philanthropyconnections.org to see how it has changed, and please send us any thoughts you might have about ways we can improve it or things you would like to see. And if you haven’t yet, follow us on all social media - Facebook, Twitter and Instagram!
2017 Projects

Burma: 2 projects
Thailand: 18 projects
Cambodia: 11 projects

31 projects

- Education: 19 projects
- Healthcare: 2 projects
- Childcare: 3 projects
- Community Dev.: 3 projects
- Infrastructure: 4 projects
Project Spotlight

Background
Kone Myint Thar Yor village is home to a primarily rural, farming and relatively isolated community of Lahu, Akha and Kachin ethnic minorities. The people in this community largely did not have the opportunity to attend formal education, but the parents encourage their children to go to school so they will have better chances in life.

Thanks to this encouragement, more and more children, including those from many surrounding villages, have been attending the school at Kone Myint Thar Yor.

However, the condition of the school had deteriorated since its construction in 1984. Because of the poor and unsafe conditions, the community wanted to build a new school. To do this, they needed outside help and funding.

Results
In August, 2017, the new school building was completed. Now, 65 children have a safe and secure learning environment. Thanks to our sponsor, Tony Mann, in memory of his late wife Nancy, who sponsored this project.
Project Spotlight

Background
Schools in Thailand’s border regions have many students from several ethnic groups, such as Karen, Hmong, Mien, Akha, Lahu, Mon, Khmer and Malay. These children grow up speaking their local or ethnic language in their families and communities, but then go to Thai schools where the instructional language is in Thai. This puts them at a disadvantage and many fall behind their peers at a young age, making it increasingly difficult to catch up as they grow older.

The language barrier creates differences in educational outcomes, and thus, impacts the futures of so many ethnic minority students.

This is where the Foundation for Applied Linguistics (FAL) comes in. Both the teachers in the Thai schools, and the staff at FAL, recognised that the ethnic minority students were motivated and able to learn, but only needed a programme that appreciated the challenges of the language gap and the importance of their local language and culture. Their programme responds to this dual need.

When these students begin their education, FAL trains an assistant instructor from the local community who can provide lessons in their local language, while also helping teach them Thai. This helps bridge the language gap and keeps a diverse group of students progressing at the same level. Gradually and over time, the need for the local assistant teachers decreases, and the ethnic students will have maintained their local language, built a solid educational foundation and will be able to continue their education in Thai language without the need for assistance.

Goal
With this project we strive to support the education of disadvantaged children from ethnic minority groups in Thailand, to preserve, respect and develop the local language and culture and to develop speaking, reading and writing skills in Thai.
From the PCF Project Team

Prawit Wongpeng (Terd)

"I saw the happiness of the children - they were now able to study and learn with a local teacher who spoke their language."

Prawit Wongpeng (Terd)
Project Development Officer
Philanthropy Connections Foundation

One of the projects that I really appreciated was the Multi-Lingual Education project which is implemented by our partner, the Foundation for Applied Linguistics (FAL). This project takes an innovative approach to helping ethnic children who do not speak Thai as their first language. FAL supports these students by providing a local teacher alongside a Thai language teacher when they first begin their education.

I visited the Ban Pui School, which is one of the schools FAL supports, and I saw the happiness of the children - they were now able to study and learn with a local teacher who spoke their language. Without this local teacher, most of these children would not understand their basic lessons.
## Finances

**Consolidated statement of financial activities for the year ended 31 December 2017**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary income</td>
<td>285,153.44</td>
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<tr>
<td>Project support</td>
<td>264,199.13</td>
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<tr>
<td>Payroll expenses</td>
<td>58,804.65</td>
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<tr>
<td>Overhead costs</td>
<td>6,675.37</td>
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<tr>
<td>Representation</td>
<td>1,394.49</td>
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<tr>
<td>PR expenses</td>
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<tr>
<td>Transportation costs</td>
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<td><strong>Total Office Expenses</strong></td>
<td><strong>68,196.48</strong></td>
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<td>Bank charges</td>
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<td>Investment income</td>
<td>185.25</td>
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<tr>
<td>Exchange rate loss</td>
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<tr>
<td><strong>Total Financial Expenses</strong></td>
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<tr>
<td><strong>TOTAL RESOURCES EXPENDED</strong></td>
<td><strong>334,406.41</strong></td>
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<tr>
<td>Net movement (loss) in funds</td>
<td>49,252.97</td>
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<tr>
<td>Funds brought forward from 2016</td>
<td>190,643.40</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>141,390.43</strong></td>
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</tbody>
</table>
# Project Spending (in EUR)

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Misc. project costs</td>
<td>126,90</td>
</tr>
<tr>
<td>KAKO 3 Preschools</td>
<td>7,278,35</td>
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<tr>
<td>KAKO Additional costs &amp; new office</td>
<td>914,94</td>
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<tr>
<td>KAKO Village libraries</td>
<td>12,253,06</td>
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<tr>
<td>KAKO 4 secondary school scholarships</td>
<td>10,941,21</td>
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<tr>
<td>KAKO Preschool Stung Preah Srok</td>
<td>5,848,08</td>
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<td>KAKO 60 Primary/secondary school scholarships</td>
<td>9,845,81</td>
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<tr>
<td>KAKO University scholarship Cheun-Hean</td>
<td>3,159,41</td>
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<tr>
<td>KAKO Administration costs</td>
<td>34,558,26</td>
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<tr>
<td>KAKO Miscellaneous costs</td>
<td>139,41</td>
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<tr>
<td>KJSRC Misc. costs</td>
<td>97,43</td>
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<tr>
<td>KJSRC Boardinghouse</td>
<td>8,435,16</td>
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<tr>
<td>KJSRC Additional scholarships</td>
<td>572,44</td>
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<tr>
<td>KJSRC Stipend for English teachers</td>
<td>2,081,60</td>
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<tr>
<td>KJSRC Food support</td>
<td>2,693,75</td>
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<tr>
<td>KJSRC Additional scholarship Vijit</td>
<td>130,10</td>
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<td>TVLC Misc. costs</td>
<td>229,26</td>
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<tr>
<td>TVLC Operation costs</td>
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<td>TVLC Staircase construction and roof maintenance</td>
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<td>TVLC English programme</td>
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<td>MKK IECBP</td>
<td>13,094,50</td>
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<td>MKK Misc. costs</td>
<td>373,43</td>
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<td>Kids Ark Capacity building for Lahu women</td>
<td>9,684,12</td>
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<td>Kids Ark Misc. costs</td>
<td>32,86</td>
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<tr>
<td>MSHO Misc. costs</td>
<td>47,37</td>
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<tr>
<td>MSHO Staff salaries and supplies for children</td>
<td>4,683,60</td>
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<tr>
<td>MSHO Care for 2 children</td>
<td>2,113,37</td>
</tr>
<tr>
<td>MSHO English evening classes</td>
<td>6,109,50</td>
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<tr>
<td>BNSCLC Misc. costs</td>
<td>473,15</td>
</tr>
<tr>
<td>BNSCLC 4 toilets and dorm renovation</td>
<td>2,984,75</td>
</tr>
<tr>
<td>BNSCLC Food and medicine</td>
<td>16,395,20</td>
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<tr>
<td>BNSCLC New boys dormitory</td>
<td>4,261,04</td>
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<tr>
<td>Kids Zone Misc. costs</td>
<td>388,56</td>
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<td>IMPECT Misc. costs</td>
<td>61,08</td>
</tr>
<tr>
<td>IMPECT Baan Pha Lai community school</td>
<td>38,957,14</td>
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<tr>
<td>LWO Misc. costs</td>
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<td>LWO New building at KMTY school</td>
<td>14,081,24</td>
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<td>LWO Extra needs at KMTY school</td>
<td>6,243,37</td>
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<tr>
<td>BWS Misc. costs</td>
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<tr>
<td>BWS Scholarship for Mol and Piyawat</td>
<td>3,153,62</td>
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<tr>
<td>FAL Salaries and support for MTB-MLE project</td>
<td>17,959,00</td>
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<td>BHHLNCS Misc. costs</td>
<td>89,12</td>
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<tr>
<td>BHHLNCS operation costs</td>
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<td>FWB Misc. costs</td>
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<td>FWB Feasibility study</td>
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<td>SWAN Roof renovation</td>
<td>521,70</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>264,199,13</strong></td>
</tr>
</tbody>
</table>
ACCOUNTING POLICIES
GOING CONCERN ASSUMPTION
The Financial statements have been prepared on the going concern assumption.

The Financial year comprises the dates from 1st January to 31st December.

Cash based accounting
The financial statements are prepared on a cash basis accounting method.

Transactions and positions in the balance sheet are in multiple foreign currencies.

Transactions in a foreign currency are exchanged at the date of the transaction.

Foreign exchange gains and losses resulting from transactions in a foreign currency are accounted in the profit and loss statement.

Monetary items in the balance sheet are exchanged on the balance sheet date, of 31st December 2017.

Exchange rates
The average exchange rate in 2017 was 1 THB = 0,02602 EUR. This rate is used for calculating net income over the year.

The exchange rate on 31 December 2017 was 1 THB = 0,02556 EUR. This rate is used for calculating total liabilities.
Notes to the Budget

FURTHER INFORMATION TO THE FINANCIAL STATEMENT AS PER DECEMBER 2017

Board of Directors/Management
The 2017 Board of Directors consisted of six (6) total members.

- Sallo Polak | Chairman
- Rene Mendel | Treasurer
- Gerard Verberne | Secretary
- Catherine Keyl | Member
- Chuwong Supasitthumrong | Treasurer & Secretary
- Dr. Samai Sirithongthaworn | Member

Mr. Mendel, Mr. Verberne and Ms. Keyl are members of the Dutch board, and Khun Chuwong Supasitthumrong and Dr. Samai Sirithongthaworn are members of the Thai board. Mr. Sallo Polak is the chairman of both boards.

Furthermore, Sallo Polak is managing the daily activities of the organisation from the office in Chiang Mai, Thailand.

Annual board meeting
The 2017 annual board meeting was held on 24 March 2017.

The 2017 Financial Audit report was discussed and approved by the Board on 24 March, 2018.
Our Board

Chairman

Founder & Executive Director
Sallo Polak

Thai Board

Treasurer and Secretary
Chuwong Supasitthumrong

Board Member
Dr. Samai Sirithongthaworn

Dutch Board

Treasurer
René Mendel

Board Member
Catherine Keyl

Secretary
Gerard Verberne
Our Team

Founder & Executive Director
Sallo Polak

Associate Director
Lani Hollander

Projects Manager
Arusa
Panyakotkaew
(Noona)

Project Development Officer
Prawit
Wongpeng
(Terd)

Project Coordinator
Thanapa
Ukaranun (Pa)

Administrative Assistant
Sudarat
Khanpratham
(Mei)

Accountant
Sujitra Komai
(Jeab)

Assistant Communications Officer
Kelsey Jensen

Communications Officer
Evan Thomsen
Our Sponsors
Our Sponsors